

BEFORE THE

Federal Communications Commission**RECEIVED**

WASHINGTON, D.C. 20554

AUG 10 1998

In the Matter of:FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**Request By Bell Atlantic -West Virginia
For Interim Relief Under Section 706,
Or, In The Alternative, A LATA
Boundary Modification****CC Docket No. 98-11****File No. NSD-L-98-99****To: The Commission****COMMENTS OF
ALLEGHENY COMMUNICATIONS CONNECT, INC.**

Pursuant to Sections 1.415 and 1.419 of the Commission's rules, Allegheny Communications Connect, Inc. ("ACC")¹, by its attorneys, hereby submits these Comments in response to the Public Notice issued concerning Bell Atlantic's request for expedited relief in the above-captioned proceeding.² The principal purpose of these Comments is to advise the Commission that, contrary to a central tenet of Bell Atlantic's

¹ ACC is a subsidiary of Allegheny Energy, Inc. ("Allegheny Energy"). ACC is an exempt telecommunications company ("ETC"). *In the Matter of Application of Allegheny Communications Connect, Inc. for Determination of Exempt Telecommunications Company Status Under Section 34 of the Public Utility Holding Company Act of 1935, as added by Section 103 of the Telecommunications Act*, File No. ETC-96-11, Order, DA 96-953, 11 FCC Rcd 12204 (1996).

² *Request by Bell Atlantic-West Virginia for Interim Relief Under Section 706, Or, in the Alternative, a LATA Boundary Modification - Pleading Cycle Established*, Public Notice, DA 98-1506, (rel. July 8, 1998) (hereinafter "Bell Atlantic's Waiver Request").

Waiver Request, other entities are committed to deploying the necessary infrastructure to support and provide Internet connectivity from, to and throughout West Virginia.

DISCUSSION

1. By and large, Bell Atlantic's assessment with regard to the absence of high speed Internet backbone capacity in West Virginia is accurate. However, the near-term outlook is not nearly as bleak as Bell Atlantic projects; the burden of deploying the infrastructure does not rest solely on Bell Atlantic's shoulders. Presently, ACC plans to deploy and manage a telecommunications infrastructure that will consist of a fiber-based, OC 48 SONET backbone connecting points of presence ("POPs") in Morgantown, Fairmont, Clarksburg, Parkersburg, and Charleston, West Virginia; ATM switching; and a high capacity transport facility between Morgantown, West Virginia and Pittsburgh, Pennsylvania. Subject to regulatory approvals, completion of all phases is scheduled for the second quarter of 1999.

2. ACC believes that its timeline for deployment is consistent with Bell Atlantic's. In a recent Press Release, Bell Atlantic announced a major procurement to acquire the switches and related equipment and software to deploy high speed data communications networks throughout the Northeastern United States.³ See Attachment

³ Larry Plumb, *Bell Atlantic Launches Next-Generation Long Distance Data Network to Address \$80 Billion Market for 21st Century Communications*, Bell Atlantic Web Site, June 8, 1998.

A. With regard to the service rollout in Western Pennsylvania and West Virginia, the Press Release indicates that Bell Atlantic's deployment will not occur until sometime after the first quarter of 1999 at the earliest.

3. Bell Atlantic's arguments supporting an expansive view of the Commission's forbearance authority with regard to modifying LATA boundaries have already been addressed. In its *Memorandum Opinion and Order* adopted last week, the Commission concluded that it does not have the statutory authority to forbear from enforcing sections 251 and 271 prior to their full implementation.⁴ The Commission further denied requests for changes in LATA boundaries to accommodate RBOC early entry strategies to deploy high speed data networks because such action would eviscerate section 271 as it applies to advanced services.⁵ Accordingly, at this time, Bell Atlantic is foreclosed from entering the InterLATA data services market and from obtaining modification of the LATA boundaries as requested.

4. ACC is committed to providing the high speed Internet connectivity for the residents and commercial and public entities of West Virginia. The Company appreciates fully and endorses the Commission's goals of providing high speed Internet

⁴ *FCC Launches Inquiry, Proposes Actions to Promote the Deployment of Advanced Telecommunications Services By All Providers* (CC Docket Nos. 98-146, 98-11, 98-26, 98-32, 98-15, 98-78, 98-1, 98-147), News Release, Report No. CC 98-24, (rel. August 6, 1998).

⁵ *Id.*

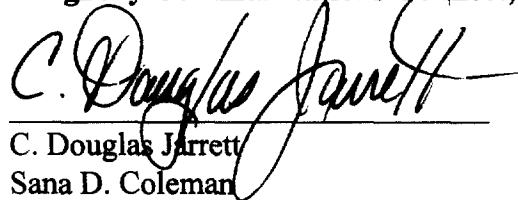
connectivity to all citizens of the United States. Indeed, in its proposed deployment in West Virginia, ACC is acting consistent with the Commission's goal of following "Congress's blueprint for stimulating telecommunications competition and bringing the benefits of technology to all sectors of American society."⁶ ACC looks forward to establishing the telecommunications infrastructure and providing advanced telecommunications services to the citizens, companies and public institutions of West Virginia.

⁶ *Id.* at 1.

WHEREFORE, THE PREMISES CONSIDERED, Allegheny Communications Connect, Inc. respectfully requests that the Commission deny Bell Atlantic's Waiver Request and to otherwise take action consistent with the views expressed herein.

Respectfully submitted,

Allegheny Communications Connect, Inc.

A handwritten signature in black ink, appearing to read "C. Douglas Jarrett", is written over a horizontal line.

C. Douglas Jarrett

Sana D. Coleman

KELLER AND HECKMAN LLP

1001 G Street, N.W., Suite 500 West

Washington, D.C. 20001

(202) 434-4100

Its Attorneys

Dated: August 10, 1998

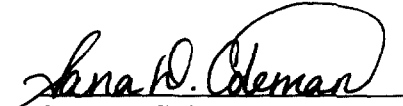
CERTIFICATE OF SERVICE

I hereby certify that on this 10th day of August, 1998, a copy of "Comments of Allegheny Communications Connect, Inc." was served by hand delivery on the parties listed below.

Al McCloud
Network Services Division
Common Carrier Bureau
2000 M Street, N.W., Room 235
Washington, D.C. 20554

Robert H. Griffen*
Bell Atlantic
1320 North Court House Road
8th Floor
Arlington, VA 22201

ITS, Inc.
1919 M Street, N.W.
Room 246
Washington, D.C. 20554


Sana D. Coleman

* By first class mail, postage prepaid.

ATTACHMENT A

Bell Atlantic Launches Next-Generation Long Distance Data Network to Address \$80 Billion Market for 21st Century Communications

Lucent to Supply Equipment and Operating Systems

June 8, 1998

[REDACTED] Media

contacts: [REDACTED] June 8, [REDACTED] Bell Atlantic Media Relations, 212-395-0500
June 10 and after: , Larry Plumb, 703-295-4360

Lucent Technologies: Paula Horii, 908-582-5522
908-301-0344 (home) [REDACTED]

NEW YORK -- Bell Atlantic will begin construction of a next-generation, data packet-switched, long distance network in July, the company said today. The new network will provide the regional platform for data communications for customers across the Bell Atlantic region, the nation and the world.

Bell Atlantic has selected Lucent Technologies under a five-year contract, valued at more than \$200 million, to supply equipment and software for the East Coast network components and to integrate several of the new network's systems. Other vendors to be named later will supply additional elements for the network. Deployment of services over this network depends on regulatory approvals, the first of which are expected to come in the next six months.

The market for data services in the region is expected to double and possibly triple to \$80-90 billion a year, by the year 2003. The new network will support services such as virtual private networks, work-at-home and audio and video streaming over the World Wide Web. This network will provide high-quality, high-speed transport services; platform services such as Internet access and backbone transport; and a complete range of value-added applications, such as Intranet/Extranets, electronic commerce and video conferencing.

"Bell Atlantic will be able to provide state-of-the-art solutions for the data communications needs of its major customers headquartered in the northeast and mid-Atlantic states and the hundreds of colleges and universities in the region with this network," said Joe Farina, president and chief executive officer-Bell Atlantic Data Solutions Group. "Our new network will be ready to serve the expanding realm of electronic commerce across the Net and the many media-rich Internet applications of the future."

"The East Coast of the United States is the richest and most rapidly growing data market in the world," said Farina. "Bell Atlantic is determined to stay ahead of our customers as their data needs expand and develop regionally, nationally and globally."

The company conservatively estimates it will generate more than \$3 billion a year in new revenue by 2003 from long distance transport services alone over the in-region network. This is over and above the multi-billion dollar revenue stream it generates today with metropolitan-area data services. Value-added platform and application services are expected to generate an additional \$2 to \$3 billion in yearly revenues.

The initial deployment will connect hubs in Boston, New York, Philadelphia and the Washington, DC., area. Delivery of services over the new network could begin as early as Jan. 1, 1999. Data routing hubs will be extended to serve all markets in the Northeast and mid-Atlantic region during the course of the next two years. These markets include Providence, R.I. and other cities in the New England states, cities and towns in upstate New York such as Albany, and mid-Atlantic cities such as Pittsburgh, Richmond, Va., and Charleston, W. Va.